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TAGS: [PGOV](#) [PINR](#) [MOPS](#) [PREL](#) [NI](#)

SUBJECT: INDUSTRIALIST CORROBORATES COUP PLOT RUMORS

REF: A. ABUJA 586

[1](#)B. ABUJA NI 584

Classified By: J. GREGOIRE FOR REASONS 1.5 (B) AND (D)

[1](#)1. (S N/F) SUMMARY. The head of Nigeria's leading indigenous petroleum marketing firm and son of a former Lagos State governor told ECONOFF that in a private conversation with President Obasanjo and NNPC chief Funsho Kupolokun last weekend, Obasanjo confirmed rumors that the GON uncovered a coup plot by junior officers (reftels). Femi Otedola, sole owner of Zenon Petroleum, said he was told that the GON found a speech prepared by the leader of the coup plot, and that the GON discovered \$25,000 had been deposited in an account in Cote d'Ivoire to be used to buy weapons for a coup attempt. END SUMMARY.

[1](#)2. (S N/F) On April 6, Femi Otedola, President and CEO of Zenon Petroleum and Gas Ltd., met with ECONOFF and ECONSPEC (a Nigerian Locally Employed Staff) to discuss his company's fuel marketing operations and the state of the downstream petroleum sector generally. According to Otedola, Zenon controls 85 percent of the Nigerian diesel market, and the company is rapidly expanding to control a greater share of its vertical business stream from the refinery to the retail pump (septel). Otedola is the son of Chief Michael Otedola, who was elected governor of Lagos State in 1992 as a result of bitter party infighting but was replaced with a military governor when Sani Abacha came to power in 1993. Femi Otedola was put on the Board of the Nigerian Investment Promotion Commission (NIPC) earlier this year.

[1](#)3. (S N/F) During a long and frank conversation about his business and Nigeria's ongoing fuel woes, Otedola made several references to private conversations he has had with President Obasanjo, including discussions on getting the government out of the fuel business and on privatizing Nigeria's refineries. Otedola said President Obasanjo recently asked him if Zenon would build a refinery in Lagos near the Atlas Cove fuel jetty if the government gave the company the land. Otedola told ECONOFF that such a project would cost a half-billion dollars, which he was not interested in investing in such a manner at this time. When pressed for reasons why, he said the political risk is still too great in Nigeria. Otedola said he is concerned that the split between Obasanjo and Vice President Atiku is large and growing.

[1](#)4. (S N/F) Otedola then pointed to the recent reports of a coup plot as further evidence of the high level of political risk keeping him from making large capital investments in Nigeria that would require him to take on significant debt. He noted he keeps Zenon profits in several large Nigerian banks from which he can transfer funds to European accounts within 24 hours if he senses grave problems in Nigeria. He said that the government's public attempt to play down the coup plot story was a ruse (ref A).

[1](#)5. (S N/F) Otedola intimated he met with Obasanjo and Funsho Kupolokun, the Group Managing Director of the Nigerian National Petroleum Corporation (NNPC), on Sunday April 4, and was told details about the coup plot. He was not willing to share many details, but Otedola said he was told that the GON found a speech regarding the coup on the computer of the lead plotter. He also said the GON discovered \$25,000 deposited in a bank account in Cote d'Ivoire for the purchase of weapons to be used in the coup attempt. When asked if the coup plotters were generals at the top of the military command, Otedola said emphatically that junior officers hatched the plot (ref B). He added that current senior officers would not plot against Obasanjo, but if they did, they could accomplish a coup relatively easily.

[1](#)6. (S N/F) Otedola noted that he would be meeting with Kupolokun in Lagos on Friday, April 9, and would probably speak with the President again before leaving Nigeria for London sometime in the next 10 days. Otedola said he keeps his family in London and maintains commercial and residential real estate holdings there.

